

Planning Guidance Letter #97-03

Flood Damage Reduction Risk-Based Analysis Waiver

CECW-PD (17 January 1997)

MEMORANDUM FOR COMMANDERS, MAJOR SUBORDINATE COMMANDS
AND DISTRICT COMMANDS

SUBJECT: Planning Guidance Letter No. 97-3, Flood Damage Reduction Risk-Based Analysis Waiver

1. Purpose. The purpose of this guidance is to detail procedures for requesting waivers from risk-based analysis requirements for flood damage reduction studies in accordance with Section 202(h)(3) of the Water Resources Development Act of 1996 (WRDA 96).
2. Background. Section 202(h)(1) of WRDA 96 directs the Secretary of the Army to enter into an agreement with the National Academy of Sciences (NAS) to conduct a study of the U.S. Army Corps of Engineers use of risk-based analysis for the evaluation of hydrology, hydraulics, and economics in flood damage reduction studies. Section 202(h)(2) requires that the Secretary submit a report to Congress on the results of the NAS study, as well as, such recommendations on the use of risk-based that the Secretary considers appropriate. Section 202(h)(3) further directs that during the 18-month period following the date of enactment of the Act, the Secretary, upon the request of non-Federal interests, shall refrain from using any risk-based analysis techniques in the evaluation or design of flood damage reduction projects. While we must implement the provisions of Section 202(h)(3), we have confidence in the use of risk-based analysis in the evaluation and design of flood damage reduction projects. The use of risk-based techniques is supported by the Office of Management and Budget and we expect it to be validated by the NAS study. Once the NAS study is complete we will assess whether any revisions are needed to the risk-based analysis techniques required by ER1105-2-101.
3. Definition. For the purpose of implementation of section 202(h)(3), risk-based analysis techniques include all probabilistic analysis required under ER 1105-2-101, Risk Based Analysis for Evaluation of Hydrology/Hydraulics, Geotechnical Stability and Economics in Flood Damage Reduction Studies, and Policy Guidance Letter (PGL) No. 26, Benefit Determination Involving Existing Levees.
4. Procedures.
 - a. Studies with signed Feasibility Cost Sharing Agreement (FCSA).

(1) Non-Federal interest submits written request for waiver from risk-based analysis for study through the district and Major Subordinate Command (MSC).

(2) District prepares assessment of impact of waiver on feasibility study schedule and cost and, if applicable, submits Schedule and Cost Change Request (SACCR) through appropriate approval chain. The district through MSC will resubmit revised Project Study Plan (PSP) and request for waiver to CECW-P.

(3) Any increased non-Federal feasibility costs associated with the waiver will be payable during the period of the study in accordance with Section 203(a) of WRDA 96. Increased Federal funds associated with the risk-based analysis waiver are subject to availability.

b. Studies without signed FCSA.

(1) Non-Federal interest submits written request for waiver from risk-based analysis for study through the district and MSC.

(2) MSC forwards request for waiver with PSP (documenting the alternative procedures) to CECW-P.

(3) Non-Federal waiver requests for studies without signed FCSA can be made at any time during 18-month period following enactment of the Act.

5. Methodologies. Methodologies used in lieu of those required by ER 1105-2-101 and PGL 26 will follow engineering regulations, circulars and technical letters in place immediately prior to the implementation of the requirements for risk-based analysis in 1992. In accordance with EC 1105-2-208, those methodologies must be explicitly described in the PSP.

6. Applicability. Waivers will be granted for flood damage reduction studies only and will not be granted for major rehabilitation or other studies using risk-based analysis techniques. For studies where risk-based analysis techniques have not been developed, sensitivity analyses of key variables, in accordance with ER 1105-2-100, is still required. Under the terms of Section 202(h)(3) a waiver will be provided if requested. Once requested the waiver will apply to all future planning and design efforts on the project. This Planning Guidance Letter is also generally applicable to post-feasibility study waiver requests. Specific guidance for post-feasibility waiver requests must be requested from CECW-P.

(Signed) RUSSELL L. FUHRMAN, Major General, USA, Director of Civil Works